



STATE OF INDIANA

Request for Information

6-83

INDIANA DEPARTMENT OF ADMINISTRATION

And

**INDIANA FAMILY AND SOCIAL SERVICES
ADMINISTRATION**

Solicitation for:

AREA AGENCY ON AGING RFI 6-83

Response Due Date: May 26, 2006

Jessica Robertson, Senior Account Manager
Indiana Department of Administration
Procurement Division
402 W. Washington St., Room W468
Indianapolis, Indiana 46204

Table of Contents

1	Overview.....	1
1.1	Background.....	1
1.2	Scope.....	2
1.3	Vision.....	3
1.4	Process	3
2	The Opportunity.....	3
2.1	Fiscal Management	4
2.2	Performance Metrics	4
2.3	Waitlist Management	5
2.4	Provider Recruitment	5
2.5	Appropriate Staffing Levels.....	7
2.6	Single Point of Entry (Aging and Disability Resource Centers)	8
2.7	Training.....	8
2.8	Quality Assurance/Quality Improvement	8
2.9	Program Management	9
2.10	Transition Nursing Facility Residents	9
2.11	Organizational Structure	10
2.12	Significant Accomplishments	10
3	Responses.....	10
3.1	Outline for Response.....	10
3.2	Calendar	11
3.3	Questions.....	11
3.4	Document Library	11
3.5	Submitting a Reply	12

REQUEST FOR INFORMATION

1 Overview

This is a Request for Information (RFI) issued by the Indiana Department of Administration (IDOA) in conjunction with the Family and Social Services Administration (FSSA). This RFI requests responses from the Area Agencies on Aging (AAA) in the State of Indiana regarding services to the elderly and persons with disabilities. Responses to this RFI will be used as a tool to evaluate the capacity of each organization to carry out the functions specified in the Older Americans Act of 1965, as amended, Title 460 of the Indiana Administrative Code, and Indiana Code Title 12, Article 10.

If an AAA does not respond to this RFI, the organization may be determined to not have the capacity to continue as a designated Area Agency on Aging. Any reply received by the Procurement Division after the due date will not be considered and may result in determination that the organization does not have the capacity to continue as a designated Area Agency on Aging.

1.1 Background

Through programs administered by the FSSA Division of Aging in the Social Services Block Grant (SSBG), Title III and Community and Home Options to Institutional Care for the Elderly and Persons with Disabilities (CHOICE) funding, persons with disabilities and elder Hoosiers are served throughout the state. The total federal and state funds, including Medicaid funds, for which the Division of Aging is responsible is budgeted to be over \$1.8 billion for the state fiscal year ending June 30, 2006.¹

Area Agencies on Aging were established under the Federal Older Americans Act (OAA) in 1973 to respond to the needs of Americans aged 60 and over in their local community. An Area Agency on Aging is designated by the state for each planning and service area. These planning and service areas, defined by the state, consider the incidence of need for supportive and other services of older individuals, geographical distribution of older individuals in Indiana, the distribution of older individuals who have the greatest economic need, with particular attention to low-income minority residents and those in rural areas, the distribution of resources available to provide such services, the boundaries of existing areas within Indiana which were drawn for the planning or administration of supportive services programs, the location of units of general purpose local government within the state, and other relevant factors.

AAAs serve as portals to care, assessing multiple service needs, facilitating and/or determining eligibility, authorizing or purchasing services and monitoring the appropriateness and cost-effectiveness of those services. AAAs contract with local

¹ Indiana Family and Social Services Administration, Division of Aging Monthly Financial Review, Highlights for January 2006.

providers to furnish services in the community and upon approval from the State will provide direct services.

Currently, there are sixteen (16) Area Agencies on Aging as designated by the Indiana Family and Social Services Administration, Division of Aging, with federal and state funds of approximately \$82,398,720 under contract between the AAAs and the state. (The specific funds under contract with the AAAs as well as other resource information can be found at <http://www.in.gov/fssa/elderly/>) Of these sixteen (16) designated AAAs, two (2) are established within a university system, four (4) are established within a community action agency and two (2) are designated within an economic development district. Two (2) of the AAAs are specified as aging and disability resource centers.

Pursuant to Indiana Code 12-10-1-6, the AAAs are charged with:

- Determining the needs and resources of the aged in their area
- Coordinating all programs and activities providing health, recreational, educational, or social services for the aged
- Securing local matching money to meet the needs of the aged
- Developing an area plan to provide a comprehensive and coordinated system for the delivery of services needed by the aged in the area, the collection and dissemination of information and referral sources, the effective and efficient use of all resources meeting the needs of the aged, the inauguration of new services and periodic evaluation of all programs and projects delivering services to the aged, with special emphasis on the low income and minority residents in the area and the establishment, publication and maintenance of a toll free telephone number to provide information, counseling and referral services for the aged residents in the area
- Conducting case management
- Performing any other functions required by regulations established under the Older Americans Act

See also 460 IAC 1-4-3

1.2 Scope

This RFI encompasses the programs and services provided to eligible individuals under contract with Area Agencies on Aging, pursuant to Title III and Title VII of the Older Americans Act, the Social Services Block Grant, the Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE), and the Pre-Admission Screening Annual Resident Review process. Additionally, AAAs serve as access points for nursing facility level of care for Medicaid home and community-based waiver services and are providers of case management services for waiver participants. The coordination of Medicaid waiver services (460 IAC 1-4-3 (b)(8)) is considered an important responsibility of the AAAs and should be considered when responding to this RFI.

1.3 Vision

The Indiana Family and Social Services Administration (FSSA) announced in July 2005, an agency plan for a new strategic direction. As part of that plan, Secretary Roob announced proposals to improve access to the array of long-term care services, expand capacity of home and community-based services, while systematically closing nursing facility beds, increasing public awareness for personal responsibility and actively promoting consumer choice of long-term care options, and balancing government funding for long-term care.

FSSA seeks to:

- Achieve a Federal participation percentage goal of 62.98%
- Reduce the number of nursing facility beds
- Balance Medicaid funding between institutional and home and community-based services
- Implement Aging and Disability Resource Centers (ADRC) statewide
- Increase capacity to serve the Medicaid population in assisted living facilities
- Implement Adult Foster Care programs
- Transform long-term care from a real estate based model to a services based model

FSSA will consider any information received in response to this RFI in determining if a AAA has the capacity to effectively coordinate services to the elderly and persons with disabilities in a cost efficient manner while ensuring that quality services are provided to Indiana's most vulnerable population.

1.4 Process

FSSA is asking the AAA respondents to describe how they will design, initiate processes, change processes, policies, procedures and take other actions that will serve to meet the goals outlined by the Secretary.

This RFI describes key parts of the FSSA vision. It is not specific about how AAAs might propose to build and manage a solution to realize the vision. The process is designed to ascertain the AAAs expertise in serving individuals in their community.

2 The Opportunity

FSSA has found that the administration and delivery of services at the AAA level lack coordination, consistency and standardization throughout the state and that there are varying degrees of compliance with contractual obligations. Therefore, FSSA seeks creative, high quality responses to this RFI and requests information regarding the AAA's capacity to accomplish the objectives within the vision described above in an efficient, quality-based and cost effective manner. The AAAs should describe their approach to delivering improved performance outcomes for the state. Rather than dictate a solution, FSSA is looking for the AAAs to suggest their solution approach in order to accomplish the desired program outcomes. These desired outcomes provide the beginning of the parameters on which the AAAs' solutions will be evaluated for continued designation and contracting. The AAAs' responses should include creative,

high-impact program outcomes, including, but not limited to the desired outcomes listed in this RFI.

2.1 Fiscal Management

The management of the state and federal dollars for programs that serve Indiana's most frail includes the weighty responsibility of being good stewards of taxpayers' money. Currently, issues regarding documentation for claims processing, timeliness of claims submissions, and timeliness of reporting which is supported by general ledger accounts maintained on a cost accounting basis have been cited as problematic. FSSA expects its contractors to follow sound financial management practices and to continuously strengthen the internal and external controls of the administrative and financial processes. Please describe how you will achieve the following outcomes:

Desired outcomes:

- a. Achieve a Federal Participation Percentage (FFP) goal of 62.98%
- b. Reduction of administrative costs and inefficiencies, including case management as defined in IC 12-10-10-1
- c. Timely claims submission, including tracking mechanisms
- d. Efficient and well documented claims processing
- e. Fair distribution of funding
- f. Timeliness for reports and claims submission
- g. Effective leveraging of state and local funds, including the appropriate use of SSBG funds per IC 12-10-10-10, and CHOICE funds pursuant to 460 IAC 1-4-7(d), 460 IAC 1-4-7 (e)(3) and 460 IAC 1-4-3 (b)(8)
- h. Timely filing of the AAA's independent audit report and management letter with FSSA
- i. Sound cost allocation plan with assurances that unallowable costs are excluded from claims and conducive to Medicaid administrative claiming
- j. Adequate back up processes for the accounting system
- k. Appropriate development of the budget
- l. Compliance with cost sharing (co-pay) requirements as per 460 IAC 1-4-7 (f)(6); 460 IAC 1-4-8
- m. Maximization of local matching dollars

2.2 Performance Metrics

The AAAs' current contract lacks performance based outcomes. The FSSA, Division of Aging will move toward measuring contract performance to increase the capacity to serve more aging Hoosiers. We seek your input on:

- a. What should be measured
- b. What criteria should be associated with the funding
- c. What reporting model should be used to measure performance
- d. What incentives should DA provide to the AAAs who meet and/or exceed their performance metrics

2.3 Waitlist Management

Standardized criteria for maintaining a waitlist is vital for both effective delivery of services to those most in need, as well as for the oversight and administration of the programs which serve a very vulnerable population with limited resources. Currently, each AAA maintains and manages their waitlist independently. Area Agencies on Aging waitlists are not consistently maintained in the INsite system. FSSA feels it is imperative to better manage the waitlists for the publicly funded programs. Please provide input as to how to best accomplish the desired outcomes described below.

Desired outcomes:

- a. Waitlist definition used statewide
- b. Consistent and uniform waitlist tracking on a statewide basis
- c. Prioritized waitlist for all functionally impaired persons seeking services which is based on the frailty level of the applicant and the applicant's likelihood of institutional placement
- d. Current and accurate waitlist
- e. Appropriate use of waitlist module in the INsite system

2.4 Provider Recruitment

The Indiana Code 12-10-10-6 (4) & (7), indicates that the division shall approve the selection of community and home care services providers based upon criteria developed by the division and shall select or contract with agencies throughout Indiana to provide community and home care services. Currently, each AAA negotiates rates and units of services which results in a system that is difficult to manage with no assurances that the best rates have been contracted. A recent report indicates that there currently is limited negotiations and price benchmarking prior to awarding contracts to vendors and that the need to negotiate rates at the AAA should be eliminated. Additionally, a lack of adequate service providers has been repeatedly cited as a barrier to providing the necessary home and community-based services for those most at risk of institutional placement. Please describe how your AAA will provide adequate provider recruitment and will contract to meet the needs of those in your planning and service area.

Desired outcomes:

- a. Competitive and/or cooperative procurements (other than services with rates set by the state, i.e. transportation)
- b. Adequate service providers for the needs of elders in both urban and rural settings
- c. Contract negotiations resulting in the most cost effective and high quality services with adequate contract termination provisions for non-compliant providers
- d. Adequate array of service providers for meeting the needs of the elders in the planning and service area
- e. On-going proactive provider recruitment
- f. Adherence to policy that all CHOICE providers are active Waiver providers

Pursuant to IC 12-10-10-12, the Office of the Secretary, in consultation with the local Area Agencies on Aging, shall negotiate reimbursement rates for CHOICE services provided under this chapter. The Division of Aging proposes to implement statewide rates and units of measure for CHOICE and AD Waiver funded services as shown in the table below.

Service Description	Proposed A&D Waiver Rates	Proposed CHOICE/SSBG/Title III Rates
Adult Day Service – Level 1 (1/2 Day)	\$24.00	\$21.25
Adult Day Service – Level 2 (1/2 Day)	\$31.41	\$23.82
Adult Day Service – Level 3 (1/2 Day)	\$37.48	\$29.39
Transportation – Adult Day Service	\$14.32/trip	\$9.01/trip
Attendant Care	\$4.51 (1/4 hour)	\$3.89 (1/4 hour)
Case Management	\$10.51 (1/4 hour)	\$8.38 (1/4 hour)
Home Delivered Meals	\$5.29/meal	\$4.70/meal
Homemaker	\$3.38 (1/4 hour)	\$3.35 (1/4 hour)
Personal Emergency Response System – Install	\$48.07	\$24.23
Personal Emergency Response System – Maintenance	\$38.99/month	\$25.49/month
Respite – Attendant Care	\$4.57 (1/4 hour)	\$3.58 (1/4 hour)
Respite – Home Health Aide	\$4.57 (1/4 hour)	\$4.17 (1/4 hour)
Respite – Homemaker	\$3.42 (1/4 hour)	\$3.67 (1/4 hour)
Respite – Nursing	\$7.66 (1/4 hour)	\$3.43 (1/4 hour)
Transportation	\$.32/mile	\$12.55 (one way)
Skilled Nursing		\$29.16/hour
LPN		\$28.96/hour
Physical Therapy		\$65.51/hour
Occupational Therapy		\$62.26/hour
Speech Therapy		\$39.96/hour
Adult Day Service – Level 1 (1/4 Hour)	\$1.51 (1/4 hour)	
Adult Day Service – Level 2 (1/4 Hour)	\$1.91 (1/4 hour)	
Adult Day Service – Level 3 (1/4 Hour)	\$2.33 (1/4 hour)	
Assisted Living – Level 1	\$55.82/day	
Assisted Living – Level 2	\$65.50/day	
Assisted Living – Level 3	\$75.17/day	

Additionally, in order to provide uniformity among service definitions and standardization statewide, we propose to remove the following services listed below:

Proposed Services to be Removed from the CHOICE Program:
Adult Day Care
Behavior Management
Attendant Care Caregiver Training
Foot Care
Handy Chore
Group Habilitation
Habilitation Day – Individual
Habilitation Support – Employment
Medication Dispense Monitoring
Medication Setup
Res Based Habilitation
Social Worker

The FSSA Division of Aging seeks to utilize statewide rates to incentivize current and new providers by adjusting rates to create capacity to serve more Hoosiers. We solicit the input of the AAAs on the proposed rates.

- Describe how the proposed rate adjustment and standardization of services would impact your AAA
- If the rate adjustment will aid in provider recruitment to meet the needs of those in your planning and service area
- Describe how this rate adjustment will help to better serve the individuals in your community and reduce the waitlist

2.5 Appropriate Staffing Levels

Maintaining appropriate staffing levels, particularly case managers, is critical to meeting the needs of the clients, while at the same time providing services in a cost effective manner. Please discuss the AAA's staffing plan and how the budget is developed for providing the appropriate number of staff at the appropriate cost to the programs. In particular, please discuss the caseloads, staffing and budget development with the following desired outcomes.

Desired outcomes:

- Appropriate case loads and staffing
- Appropriate funding streams for case management
- Cost efficient case management
- Information and referral services appropriately staffed and funded
- Integrated administrative and programmatic management
- Ability to meet all waiver requirements and timelines
- All waiver case managers meet minimum certification requirements
- Appropriate internal quality review of waiver case management

2.6 Single Point of Entry (Aging and Disability Resource Centers)

Facilitating consumer choice is a key role of a single point of entry agency. Indiana's Area Agencies on Aging have been described as single points of entry; however, a more robust and fully integrated system to facilitate delivery of care to Indiana's elders is envisioned through the development of Aging and Disability Resource Centers as the comprehensive single point of entry. Currently, there are two (2) AAAs that are in the first stages of becoming a fully operational Aging and Disability Resource Center, with three (3) more planned for the Spring of 2006 to begin the process. Please describe how your AAA will become a fully functioning ADRC.

Desired outcomes:

- a. Efficient eligibility determination process
- b. Barriers found in the eligibility determination process (both financial and functional)
- c. Time standards for the eligibility process (from time of application to service delivery)
- d. Effective long-term care options counseling
- e. Uniform assessment process for the determination of functional impairment
460 IAC 1-4-5
- f. Appropriate screening
- g. Appropriate referral
- h. Person-centered planning process throughout the LTC continuum in order to prevent or delay movement to a more institutionalized care setting

2.7 Training

It is critical in serving the needs of the elderly and persons with disabilities in Indiana that Area Agency on Aging staff and service providers are adequately trained, both initially and on an on-going basis. Without appropriate training, services could be provided to ineligible individuals, appropriate care may not be delivered and adequate documentation may not be provided, among other concerns. Please describe how your AAA will meet the training needs for your staff and providers.

Desired outcomes:

- a. Regular and appropriate training for case managers in accordance with case management certification guidelines
- b. Initial training for new employees
- c. Regular and appropriate training in the use of the INsite system

2.8 Quality Assurance/Quality Improvement

Each AAA should include practices which will help to ensure that quality services are delivered to elder Hoosiers by developing outcome measures which provide measurement of results and target criteria by specific areas such as those outlined below. There have been cases in the state in which timely level of care determinations were not performed, numerous care plans have been extended and required periodic reviews were not performed timely. Please describe how your AAA has and will continue to develop a

quality assurance and quality improvement program which will include the development of outcome measures and the measurement of the delivered outcome (your response should include consumer satisfaction surveys).

Desired outcomes:

- a. Timeliness of service delivery from point of application
- b. Timeliness and documentation of consumer's plan of care/authorized care/services delivered/services billed
- c. Appropriateness of plan of care, including full disclosure/explanation of all services included in the plan by various funding sources and informal supports
- d. Timely level of care determination
- e. Timely review of the plans of care, including ninety (90) day reviews and annual reviews
- f. Appropriate documentation and billing (example case management)
- g. Timely and appropriate monitoring of subcontractors
- h. Sanctions for non-performance by subcontractors
- i. Services provided to low-income minority individuals and older individuals residing in rural areas
- j. Adequate emergency preparedness plans
- k. Eligible consumers served in appropriately funded programs
- l. CHOICE service providers in compliance with 460 IAC 1-4-9 regarding conflicts of interest
- m. Appropriate appeals process
- n. Quality of direct delivery of services
- o. Effective and consistent use of the INsite system and reporting mechanisms
- p. Data integrity within the INsite system

2.9 Program Management

Certain elements of program management at the AAA level are of particular importance and merit further attention. Please describe the AAA's intended program management environment which realizes the goals set by the FSSA and the FSSA Division of Aging. Please note that the Title V Employment Program will issue a Request for Proposal under separate cover.

Desired outcomes:

- a. Regionalization to realize program efficiencies
- b. Statewide contracting
- c. Consumer involvement/direction (460 IAC 1-4-4)
- d. Appropriate direct service provision
- e. Compliant nutrition program
- f. Appropriate use of authorization process

2.10 Transition Nursing Facility Residents

A primary goal is to transition residents from nursing facilities to their home or community, when appropriate, with appropriate services. Numerous opportunities exist to facilitate such transitions, but FSSA has concerns that such opportunities are being

missed at many points in the service delivery cycle. Please provide information as to how you will improve the identification and transition of residents from a nursing facility to a less restrictive environment.

Desired outcomes:

- a. Re-assessment of nursing home facility residents for LOC with identified funding to do so
- b. Identification of nursing facility residents to return to the community
- c. Organized process for hospital discharge planners and AAA case managers to avoid discharge to the nursing home when appropriate
- d. Appropriate quality mechanisms to assure sustained success in the community

2.11 Organizational Structure

Each Area Agency on Aging is structured in its own unique way, but that should not preclude changes in organizational structure for the continued improvement in the service delivery system. Please explain the best structure (formal and/or informal), such as regional consortiums, and administrative service organizations that would best meet the goals set forth by the Secretary in order to serve elder Hoosiers in a cost effective manner.

Also, please provide the mechanism by which the Area Agency on Aging assures that there is appropriate board and staff representation based upon community characteristics.

2.12 Significant Accomplishments

FSSA recognizes that the AAAs, at the local level, have helped to develop programs that are responsive to the needs of the community while providing cost effectiveness and quality of care. Please explain recent significant accomplishments of the Area Agency on Aging which would highlight the following (but not limited to):

- a. Cost savings
- b. Increased numbers of individuals served
- c. Improved outcomes
- d. Improved methods for measuring outcomes
- e. Improved efficiencies (administrative and/or programmatic)

3 Responses

3.1 Outline for Response

Responses to this RFI should be in a format consistent with the outline in Section 2, *The Opportunity*. This format is designed to offer flexibility while providing a comprehensive outline. Although AAAs will not be disqualified for departing from this format, consistency will help ensure that the unique benefits of each response are duly noted.

3.1.1 Executive Summary

AAAs are required to provide a brief summary of the most significant features of the response, and how they address FSSA's vision.

3.1.2 Alignment with Objectives, Outcomes and Vision

Responses should address the objectives and desired outcomes showing how the proposed solution will be achieved. AAA respondents should identify additional outcomes and benefits and are expected to refine the scope, objectives and outcomes in a manner consistent with the guidance already provided. Responses should define additional proposed outcomes that the proposed solution achieves.

In particular, responses should address the objective of reducing individuals in institutional care and balancing the funding between institutional and nursing facility care.

3.2 Calendar

Event	Date
Release RFI	April 28, 2006
Launch Document Library	April 28, 2006
AAA Questions Due	May 5, 2006
RFI Replies Posted on Website	May 12, 2006
RFI Responses Due	May 26, 2006
RFI Team completes review	June 2, 2006

A late response to this RFI will not be considered and therefore may result in a determination that the organization does not have the capacity to continue as a designated Area Agency on Aging.

3.3 Questions

Any questions regarding the RFI must be submitted to the address below. Questions may also be submitted by 3 p.m. EST by e-mail to rfp@idoa.in.gov according to the time table above. Responses to all questions will be promptly prepared through a cooperative effort of IDOA and FSSA. A copy of each question and answer on an anonymous basis will be posted to the State of Indiana website <http://www.in.gov/cgi-bin/idpa/cgi-bin/bidad.pl> by May 12, 2006.

3.4 Document Library

The Document Library will be a web site from which AAAs may download documents. AAAs are responsible for checking the library and making themselves familiar with any content or updates.

3.5 Submitting a Reply

Area Agencies on Aging shall provide an original and ten copies of the response, including the transmittal letter, signed by an authorized representative of the AAA by **3 p.m. Eastern Standard Time on May 26, 2006** to:

Jessica Robertson, Senior Account Manager
Indiana Department of Administration
Procurement Division
402 West Washington Street, Room W468
Indianapolis, IN 46204

The outside of the package (envelope or box) should be clearly marked:

“RESPONSE TO REQUEST FOR INFORMATION 6-83”

All reply packages must be clearly marked with the RFI number and due date. Any reply received by the Procurement Division after the due date will not be considered. No more than one reply per AAA may be submitted. Each AAA participating in the RFI process does so at its own expense and risk and agrees, by its participation, that the state shall not reimburse any costs incurred during this process and by its participation in this process, agrees to indemnify and hold harmless the state from and against any claims (including any costs, expenses and attorneys’ fees) for such reimbursement, directly or indirectly made by or on behalf of such AAA.

Inquiries are not to be directed to any staff member of FSSA.

Please note that the usual and customary procedures for designating an Area Agency on Aging may follow this RFI, such as a Request for Proposal (RFP). The process will be in accordance with state and federal law.

Responses will be considered public information once a Request for Proposal (RFP) is complete. If an RFP is not undertaken, the responses are considered public once the decision is made.

Jessica Robertson is the State’s single point of contact for this RFI.